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Four gas infrastructure sector leaders commit to climate goals

Climate change is one of our greatest and most urgent global challenges that must be addressed. Southern California Gas Co. (SoCalGas), Énergir, GRDF and GRTgaz, gas infrastructure sector leaders in California, Quebec and France, respectively, have collaborated for over two years on viable solutions and associated technologies to leverage the potential of gas grids to support the energy transition. A key objective has been to facilitate renewable gas1 production and injection into gas networks. These four energy leaders believe that renewable gas offers solutions to meet enhanced climate targets from short to long-term. They are committed to advancing natural gas sector decarbonization and supporting cost-effective, strategic development of renewable gas in their respective countries.

A shared commitment to achieve natural gas sector decarbonization in an integrated approach

Developing renewable gases (RG) is essential to advancing the energy sector decarbonization. That's the conclusion of the International Energy Agency in its April 2020 "Outlook for biogas and biomethane"². Renewable gases and gas grids offer key solutions for the energy sector, the environment, and the global economy. To achieve decarbonization, in a cost-effective way, the four energy leaders seek to:

- Facilitate the development and use of RG, including biomethane and hydrogen³, leveraging existing local production where feasible.
- Leverage the potential of gas grids as an enabler of the energy transition in a unified, cross-continental approach to achieve climate-neutrality.

In a position paper, they present this common vision of a holistic approach of the future of the energy system, and their recommendations. They advocate for a global and integrated approach to decarbonization, characterized by gas grids transporting renewable gases, electricity grids transporting renewable electricity, and both these grids being increasingly interconnected. Gas grids can provide long term/seasonal energy storage and deliver renewable gases to meet the energy demands of end users, resulting in the efficient decarbonization of all economic sectors.

Conclusion & recommendations

In this guidance document SoCalGas, Énergir, GRDF and GRTgaz recommend:

- Promoting a global approach in energy system planning by leveraging existing gas grids with sector coupling solutions.
- Identifying and implementing policy and regulatory changes needed to ensure gas infrastructure can be maintained and developed to continue to support the energy transition and energy system resilience.
- Considering conventional natural gas and renewable gases, including hydrogen, solutions for mobility (transportation sector) as equitable pathways alongside low-carbon battery-electric solutions, based on the adoption of a Life Cycle Assessment methodology and available technology.
- Ensuring social recognition and acceptance that natural gas vehicles (NGVs), Bio-NGVs, and FCEVs (Fuel cell electric vehicles) are viable alternatives to conventionally fueled vehicles through continued public education efforts and targeted communications.
- Integrating conventional gas and renewable gases in road, rail and marine transportation in forthcoming sustainable transportation planning.

Please find the full position paper here

¹ Renewable gases (RG) is used as an umbrella term that includes biogas, biomethane and hydrogen. Biomethane is biogas that has been upgraded to be eligible for injection into natural gas pipelines. Biomethane is often called renewable natural gas or RNG.

² Outlook for biogas and biomethane: Prospects for organic growth, IEA, April 2020.

About Energir

With more than \$8 billion in assets, Énergir is a diversified energy company whose mission is to find increasingly sustainable ways to meet the energy needs of its 530,000 customers and the communities it serves. It is the leading natural gas distribution company in Québec, where it also produces electricity from wind power through its subsidiaries. In the United States, the company operates through its subsidiaries where it produces electricity from hydraulic, wind and solar sources, while serving as the leading electricity distributor and the sole natural gas distributor in Vermont. Énergir values energy efficiency and invests both resources and efforts in innovative energy projects, such as renewable natural gas and liquefied and compressed natural gas. It also offers a variety of energy services through its subsidiaries. Énergir aspires to become the partner of choice for those striving toward a better energy future.

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About SoCalGas

Headquartered in Los Angeles, SoCalGas® is the largest gas distribution utility in the United States. SoCalGas delivers affordable, reliable, clean and increasingly renewable gas service to 21.8 million customers across 24,000 square miles of Central and Southern California, where more than 90 percent of residents use natural gas for heating, hot water, cooking, drying clothes or other uses. Gas delivered through the company's pipelines also plays a key role in providing electricity to Californians— about 45 percent of electric power generated in the state comes from gas-fired power plants.

SoCalGas' mission is to build the cleanest, safest and most innovative energy company in America, delivering affordable and increasingly renewable energy to its customers. In support of that mission, SoCalGas is committed to replacing 20 percent of its traditional natural gas supply with renewable natural gas (RNG) by 2030. Renewable natural gas is made from waste created by dairy farms, landfills and wastewater treatment plants. SoCalGas is also committed to investing in its gas delivery infrastructure while keeping bills affordable for its customers. From 2015 through 2019, the company invested nearly \$7 billion to upgrade and modernize its pipeline system to enhance safety and reliability. SoCalGas is a subsidiary of Sempra Energy (NYSE: SRE), an energy services holding company based in San Diego. For more information visit socalgas.com/newsroom or connect with SoCalGas on Twitter (@SoCalGas), Instagram (@SoCalGas) and Facebook.

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About GRDF

GRDF is the leading manager of natural gas distribution networks in France, GRDF distributes natural gas each day to more than 11 million customers to ensure that they have gas when they need it, regardless of their supplier. This convenient, affordable, comfortable, and modern source of energy enables people to heat their homes, cook, and travel.

To provide this public service, GRDF builds, operates, and maintains the largest transmission network in Europe (201,716km) and develops it in more than 9,500 municipalities while ensuring the safety of people and property, as well as high-quality distribution.

Gas is a modern, affordable, economical energy that is increasingly respectful of the environment. With the rise of green gas, a renewable gas produced locally, the gas network is an essential link in the ecological transition. GRDF is an essential partner with local authorities to support them towards carbon neutrality through their choices of energy and sustainable mobility policies.

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About GRTgaz

GRTgaz is a European gas transmission leader and a world expert in gas systems. In France, the company operates more than 32,000 km of buried pipelines to transport gas from suppliers to consumers connected to its network (managers of public distribution systems that serve municipalities, power plants and more than 700 industrial sites). GRTgaz carries out public service missions to guarantee the continuity of gas transmission and offers its customers services providing access to the network and improving their energy performance. With its subsidiaries Elengy, the European leader in LNG terminal services, and GRTgaz Deutschland, the operator of the MEGAL transmission network in Germany, GRTgaz plays a key role in the European gas infrastructure scene. It also exports its know-how internationally, in particular thanks to the services developed by its research centre, RICE (Research & Innovation Center for Energy). As a player in the energy transition, GRTgaz invests in innovative solutions to accommodate as much renewable gas as possible on its network, including hydrogen, to provide support for these new sectors, and thus contribute to achieving carbon neutrality. Find us on grtgaz.com, energiedespossibles.fr @GRTgaz, Instragram, Facebook and Linkedin.

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